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178420

March 13, 2006

Mr. Charles L. A. Terreni
Chief Clerk/Administrator
South Carolina Public Service Commission
Synergy Business Park, The Saluda Building
101 Executive Center Drive
Columbia, South Carolina 29210

Re: Joint Application of Progress Energy Carolinas, Inc. and Fairfield Electric Cooperative, Inc.
to Establish Electric Service Rights
Docket No. 2006-60-E

Dear Mr. Terreni:

I am writing to inform the Public Service Commission ("Commission") that the Office of Regulatory Staff ("ORS") has consented to the Joint Application filed in the above-referenced docket by Progress Energy Carolinas, Inc. ("Progress") and Fairfield Electric Cooperative, Inc. ("Fairfield"), and collectively, ("the Applicants").

On February 15, 2006, the Applicants filed a Joint Application with the Commission requesting approval of a territorial agreement between the parties establishing the respective service rights of Progress and Fairfield in two planned subdivisions in which the service rights of each electric supplier were in dispute.

According to the Joint Application, Progress and Fairfield have agreed upon the lots each will serve in each subdivision in order to minimize the duplication of facilities installed to serve the subdivisions and to provide electricity to the lots within the subdivisions in the most practical manner possible.

ORS has reviewed the Joint Application and Customer/Territorial Agreement filed in this matter. As indicated by signature below, ORS has determined that, if granted, the requested action of the Applicants will not adversely affect the public interest and recommend that the Commission approve the Joint Application as filed.

Sincerely,



C. Lessie Hammonds

Cc: Len S. Anthony, Esquire
Marcus A. Manos, Esquire